

**IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE EASTERN DISTRICT OF TEXAS  
(LUFKIN DIVISION)**

In re:

## TEXAS PELLETS, INC. AND GERMAN PELLETS TEXAS, LLC

**CASE NO. 16-90126**

**EOD**  
06/11/2020

## Debtors,

## CHAPTER 11

**TEXAS PELLETS, INC. AND GERMAN  
PELLETS TEXAS, LLC**

**JOINTLY ADMINISTERED  
UNDER CASE NO. 16-90126**

**VS.** **Plaintiffs,**

**SPECIALIZED MAINTENANCE  
SERVICES, INC., MILTON J. WOOD  
FIRE PROTECTION, INC., AND  
COGBILL CONSTRUCTION, L.L.C.**

**ADVERSARY NO. 19-09003**

## Defendants.

**CONSENT JUDGMENT AS TO DEFENDANT,**  
**MILTON J. WOOD FIRE PROTECTION, INC.**

Considering the Motion for Entry of Consent Judgment (the “Motion”) filed by Texas Pellets, Inc. (“TPI”) and German Pellets Texas, LLC (“GPTX”) as the Reorganized Debtors

(collectively, “Plaintiffs” or “Debtors”), and further considering the agreement to enter into this Consent Judgment by Milton J. Wood Fire Protection, Inc. ( “Milton J. Wood”) in this adversary proceeding, in the above-captioned lawsuit, the Court hereby finds and orders as follows:

A. The Court has jurisdiction over this matter pursuant to 28 U.S.C. §§ 157(b) and 1334. Venue of the Chapter 11 Case and the Motion in this district is proper pursuant to 28 U.S.C. §§ 1408 and 1409.

B. Milton J. Wood has filed the following liens (the “Liens”):

(1) Milton J. Wood Fire Protection Inc. – Affidavit for Mechanic’s and Materialman’s Lien in the amount of \$71,625.00 recorded on October 6, 2015, at County Clerk File No. 2015032769, Official Records of Jefferson County, State of Texas. The Lien asserted by Milton J. Wood Fire Protection Inc. – Affidavit for Mechanic’s and Materialman’s Lien in the amount of \$71,625.00 is also referred to herein as the “Claims.”

**IT IS HEREBY ORDERED, ADJUDGED, and DECREED** that the Liens and Claims, and any further claim, asserted by Milton J. Wood in the above-captioned bankruptcy cases of TPI and GPTX shall be treated as general unsecured claims for all purposes, including, but not limited to, voting and distributions, subject to any and all counterclaims, claims, rights of setoff and recoupment, or other defenses thereto.

**IT IS FURTHER ORDERED, ADJUDGED, and DECREED** that this Court hereby authorizes and directs the Clerk of Court and Recorder of Mortgages for Tyler and Jefferson Counties, State of Texas, to cancel from their records (by making the appropriate notations in the margins of such instruments), each of the Liens set forth above.

**IT IS FURTHER ORDERED, ADJUDGED, and DECREED** that the Claims are hereby ALLOWED as general unsecured claims only in the amounts set forth below; and to the

extent asserted as secured or administrative claims, the below claims are reclassified as general unsecured claims:

Debtor	Claimant	Claim Number	Allowed Claim Amount
Texas Pellets, Inc.	Milton J. Wood Fire Protection, Inc.	N/A	\$71,625.00

**IT IS FURTHER ORDERED, ADJUDGED, and DECREED** that the total amount of \$127,977.24 from the Distribution Reserve as defined under May 16, 2019 *Order Granting the Debtors' Motion for Entry of an Order Authorizing (A) the Sale of Substantially All of the Debtors' Assets, and (B) the Assumption and Assignment of Certain Executory Contracts and Unexpired Leases* [Docket # 1163], relating to the Claims, is hereby released and is to be paid to the Bond Trustee as Sale Proceeds under Paragraph 29 of the Sale Order.

**IT IS FURTHER ORDERED, ADJUDGED, and DECREED** that nothing in the Motion or this Order constitutes a waiver of the rights of the Debtors or their estates to object to any claims not previously disallowed or to assert any claims, counterclaims rights of offset or recoupment or any other claims against any claimants asserting claims against the Debtor, all of which rights are expressly preserved.

**IT IS FURTHER ORDERED, ADJUDGED, and DECREED** that pursuant to Section 5.3.1 of the confirmed Plan of Reorganization [Docket #1257-1], Milton J. Wood shall be treated as an unsecured claimant and paid the sum of \$5,000.00 immediately upon entry of this consent judgment.

**IT IS FURTHER ORDERED, ADJUDGED, AND DECREED** that the entry of this separate consent judgment as against this particular defendant is appropriate under Fed. R. Civ. P. 54(b) and that this constitutes a final judgment as to such defendant.

*BP* Signed on 06/11/2020



THE HONORABLE BILL PARKER

3 CHIEF UNITED STATES BANKRUPTCY JUDGE

Submitted by:

/s/ C. Davin Boldissar

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